

## Message Text

CONFIDENTIAL

PAGE 01 TOKYO 19682 230550Z  
ACTION EB-08

INFO OCT-01 EA-10 IO-13 ISO-00 STR-05 STRE-00 AGRE-00  
CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07  
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00  
AID-05 SS-15 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02  
SOE-01 OMB-01 DOE-12 /111 W  
-----000072 230559Z /14

P R 230520Z DEC 77  
FM AMEMBASSY TOKYO  
TO SECSTATE WASHDC PRIORITY 3802  
INFO USMISSION GENEVA

C O N F I D E N T I A L TOKYO 19682

DEPARTMENT PASS STR AND DEPT AGR ELECTRONICALLY

DEPARTMENT PASS AS INFO ALL OECD CAPITALS

USOECD

USEEC

USMTN

E.O. 11652: GDS  
TAGS: MTN, EPAP, EFIS, ETRD, GATT, JA  
SUBJECT: JAPAN'S INTERNATIONAL AGREEMENTS-MTN, ISA AND COMMODITIES

1. SUMMARY: EMBOFF AND DEPT. OFFICER WARNE CALLED ON DIR.  
M. IKEDA, MOFA FIRST INTERNATIONAL ORGANIZATIONS DIVISION,  
WHO SAID JAPAN WOULD HAVE OFFERS READY TO TABLE IN GENEVEA  
BY JANUARY 15 AVERAGING 40 PERCENT REDUCTIONS FROM BOUND  
RATES. IKEDA EXPECTED SOME LIBERALIZATION OF CITRUS ON  
SEASONAL BASIS AND SOME OTHER IMPORT QUOTA INCREASES. HE  
CTITICIZED UNCOORDINATED U.S. BEEF POLICY. HE FELT JAPAN  
WOULD ACCEPT INTERNATIONAL SUGAR AGREEMENT AND SAID GOJ  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 19682 230550Z

WOULD PARTICIPATE IN A WHEAT AGREEMENT UNDER CERTAIN  
CONDITIONS. IKEDA COMPLAINED THAT U.S. AND EC SOMETIMES  
SEEM TO MAKE AGREEMENTS WITHOUT INFORMING JAPAN.  
END SUMMARY.

2. EMBOFF AND W.R. WARNE, DEPT. OFFICER FROM EA ON  
ORIENTATION VISIT, SPOKE WITH DIR. AND DEP. DIR. M.

IKEDA AND Y. NOZAKA OF MOFA'S FIRST INTERNATIONAL ORGANIZATIONS DIVISION, DEC 22, TO DISCUSS MTN ISSUES. ON OFFERS TO BE MADE JANUARY 15 IN GENEVA, IKEDA SAID GOJ WOULD BE WORKING ON THEM THROUGH THE HOLIDAYS AND INTO JANUARY. HE WAS CONFIDENT, HE SAID, THAT JAPAN CAN MEET A 40 PERCENT AVERAGE REDUCTION TARGET, I.E., AMOUNT OF AVERAGE CUT FROM BOUND RATES. HOWEVER, THERE WOULD BE EXCEPTIONS, ESPECIALLY BECAUSE OF JAPAN'S RECESSION AND THE RISE IN BANKRUPTCIES TO OVER 1,500 PER MONTH COMPARED TO ABOUT 1,200 THIS TIME LAST YEAR. THESE EXCEPTIONS WILL BE OFFSET BY DEEPER THAN FORMULA CUTS ON SOME ITEMS, HE NOTED. HE DID NOT FEEL THE U.S. WOULD BE SATISFIED WITH MANY GOJ MTN PROPOSALS, ESPECIALLY ON WOOD, MEAT, AND CITRUS FRUITS. GOJ COULD NOT ACCEPT A POSITION OF COMPLETE LIBERALIZATION, HE ADDED.

3. IKEDA HOPED GOJ COULD OFFER LIBERALIZATION OF CITRUS ON A SEASONAL BASIS. TOMATO PUREE, SOME FISH PRODUCTS, AND PROCESSED PORK USED FOR LUNCHEON MEAT MAY POSSIBLY BE COMPLETELY LIBERALIZED HE SAID. BEYOND THESE ITEMS, THE BEST HE THOUGHT THE GOJ COULD DO IS SUBSTANTIALLY INCREASE A FEW QUOTAS.

4. IKEDA CRITICIZED U.S. PROPOSALS ON BEEF BY NOTING THAT ON THE ORIGINAL MTN LIST, THE U.S. HAD CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TOKYO 19682 230550Z

REQUESTED THE QUOTA ON HOTEL MEAT BE INCREASED BY 5,000 TONS. NOW, HE STATED, THE U.S. IS ASKING FOR 10,000 TONS, THUS GIVING AN IMPRESSION THAT U.S. POLICY IS NOT ADEQUATELY COORDINATED. IN ADDITION, HE QUESTIONED WHETHER HOTELS NEEDED THIS QUANTITY OF MEAT.

5. CONCERNING INTERNATIONAL WHEAT AND SUGAR AGREEMENTS, IKEDA SAID THAT HE WAS SURE JAPAN WOULD ACCEPT THE SUGAR AGREEMENT BEFORE MAY. THE DIET WOULD QUESTION ASPECTS OF THE ISA BUT, HE THOUGHT, WOULD GO ALONG WITH IT. JAPAN WOULD EVENTUALLY PARTICIPATE IN THE WHEAT AGREEMENT. JAPAN COULD ACCEPT SOME NATIONALLY HELD STOCKS, HE INDICATED, IF THEY WERE BASED ON (A) PRICE STABILITY WITHIN AN ACCEPTABLE RANGE, (B) SOME TYPE OF SUPPLY COMMITMENT, EVEN IF ONLY A TARGET OR DECLARATION OF INTENT, AND (C) JAPANESE ACCEPTANCE WAS COUNTED AS PART OF ITS MTN OFFER. AS TO POINT (C), IKEDA SAW GOJ PARTICIPATION AS A CONCESSION, BECAUSE OF THE PROPOSED PRICE STABILIZATION PROVISIONS OF THE AGREEMENT AND GOJ FORECASTS OF AN OVERSUPPLY OF WHEAT FOR THE NEXT FIVE YEARS.

6. IKEDAULSO COMPLAINED THAT GOJ SEES A TENDENCY IN MTN FOR U.S. AND EC TO REACH BILATERAL DECISIONS WHICH ARE PRESENTED TO OTHER MTN PARTICIPANTS AS A FAIT ACCOMPLI. USING SAFEGUARDS AS AN EXAMPLE, HE SAID U.S. AND EC MEET, MAKE DECISIONS, AND THEN OFFER THE GOJ FINAL PROPOSAL. THIS DIMINISHES THE WILLINGNESS OF MITI, MOF AND OTHER MINISTRIES TO TAKE A LEADING ROLE. HE ASKED THAT JAPAN BE KEPT FULLY INFORMED OF U.S.-EC DISCUSSIONS, ESPECIALLY THROUGH ITS DELEGATES IN GENEVA. THIS WOULD PROVIDE A BASIS FOR JAPANESE INVOLVEMENT. INFORMATION ON THE PROGRESSION OF EVENTS WOULD ALSO PROVIDE MOFA WITH AN EXCUSE TO PROD OTHER MINISTRIES INTO DECISIONS SO THAT  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TOKYO 19682 230550Z

JAPAN DID NOT HAVE TO PASSIVELY ACCEPT PROPOSALS TABLED BY OTHERS, IKEDA STATED.  
MANSFIELD

NOTE BY OC/T: NOT PASSED ALL OECD CAPITALS.

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, COMMODITIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 23-Dec-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977TOKYO19682  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770479-0066  
**Format:** TEL  
**From:** TOKYO USOECD  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19771220/aaaaaqev.tel  
**Line Count:** 141  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 99b0cafd-c188-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 18-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 135557  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JAPAN'S INTERNATIONAL AGREEMENTS-MTN, ISA AND COMMODITIES  
**TAGS:** EPAP, EFIS, ETRD, JA, MTN, GATT  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/99b0cafd-c188-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009